

RESOLUTION NO. 8523

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPTAS FINDING THAT
THE PROBLEM OF HOMELESSNESS IN SANTA CLARA COUNTY CONSTITUTES A
CRISIS AND TO CONSIDER POLICY OPTIONS FOR FUNDING AFFORDABLE HOUSING
FOR THE PURPOSE OF HOUSING THE HOMELESS**

WHEREAS, the 2015 Santa Clara County Point-In-Time Homeless Census & Survey found that there are 6,556 homeless persons living within the County, of which 122 homeless persons live in Milpitas, and that 63% of them have been homeless for one year or more; and

WHEREAS, the U.S. Department of Housing and Urban Development's 2014 Annual Homeless Assessment Report found that, among the 48 Major City Continuums of Care in the United States, Santa Clara County has the third largest number of chronically homeless persons, the fourth largest number of homeless individuals, the fourth largest number of unaccompanied homeless youth and the fifth largest number of homeless veterans; and

WHEREAS, the Homeless Census & Survey found that 39% of homeless individuals within the County suffer from psychiatric or emotional conditions, 38% struggle with drug or alcohol abuse, 30% have a physical disability, 25% suffer from post-traumatic stress disorder, 22% have chronic health problems, and 63% have been homeless for one year or more; and

WHEREAS, according to research published in the New England Journal of Medicine, the average life expectancy for individuals experiencing homelessness is 25 years less than those in stable housing; and

WHEREAS, the 2015 Home Not Found study revealed that, of the 511 homeless people within the study's survey population who died between 2007 and 2012, 54% of them died outside of a hospital or other institutional setting, which means that they died "quite possibly on the street;" and

WHEREAS, the Home Not Found Study also demonstrated that the cost of providing services to homeless residents, including services in the health care and criminal justice systems, averaged \$520 million per year over the six-year study period, or \$3.1 billion over the entire period; and

WHEREAS, in addition to impacting the lives of homeless residents, homelessness also poses challenges for residents and businesses located near homeless encampments; and

WHEREAS, in August 2015, the San Jose Mercury News reported that the average monthly rent in Santa Clara County had reached \$2,552, making it one of the most expensive rental markets in the nation; and

WHEREAS, the 2014-2020 Regional Housing Needs Allocation identifies the need for 570 new Low Income units and 1,004 Very Low Income units within Milpitas; and

WHEREAS, Destination: Home's Community Plan to End Homelessness in Santa Clara County relies upon the "Housing First" model, which "centers on providing people experiencing homelessness with housing as quickly as possible;" and

WHEREAS, the Affordable Housing Funding Landscape & Best Practices white paper found that due to the dissolution of redevelopment agencies in California and cuts to federal programs,

affordable housing funding in Santa Clara County decreased from \$126 million in 2008 to \$47 million in 2013.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The problem of homelessness in Santa Clara County constitutes a crisis. It imposes unacceptable costs, both in terms of public resources and human suffering, and requires an urgent response from public officials across Santa Clara County.
3. The solution to the problem of homelessness is to provide homeless individuals with permanent affordable housing or supportive housing. Construction of an adequate supply of affordable housing will require the creation of new local funding sources. These funding efforts will be most successful if implemented consistently across all of the County's fifteen cities.
4. In the interest of promoting a consistent approach to affordable housing funding in Santa Clara County, the City will consider conducting their own analysis of the following measures for funding affordable housing, and consider whether to adopt them:
 - a. Inclusionary Zoning – Inclusionary zoning requires that developers include a percentage of below market rate units for low to moderate income households in new market-rate, for-sale residential developments.
 - b. Affordable Housing Impact Fees – Impact fees are charged to developers to mitigate the projected impacts of new market-rate developments on the need for affordable housing. The first step for jurisdictions considering an impact fee is often to conduct a nexus study to quantify the impact of new development on housing need. There are two types of impact fees:
 - i. Residential Impact Fees are assessed on new rental or for-sale housing development.
 - ii. Commercial Linkage Fees are assessed on new commercial or industrial development.
 - c. Surplus Land – Prioritize surplus City owned land for affordable housing development, thereby facilitating affordability by reducing or eliminating land costs.
 - d. Zoning actions – Explore zoning actions to encourage production of both deed-restricted affordable housing and “naturally” affordable housing, such as:
 - i. Adoption of a second unit ordinance that enables homeowners to build secondary residential structures on existing lots.

- ii. Allowing the construction of micro-units of 200-400 square feet that are relatively more affordable than other market rate units.
- iii. Protecting naturally affordable existing housing, such as mobile home parks.
- iv. Incentivizing affordable housing by offering zoning benefits, such as increased density or height or decreased parking requirements, to make the production of affordable housing more economically viable.

- e. Adopt Community Plan to End Homelessness. The City can consider adopting the regional Community Plan to End Homelessness.
- f. If the above measures are not sufficient to end homelessness, even when fully implemented, and no new permanent source of funding for affordable housing is forthcoming from the State, Milpitas could consider additional measures that may be needed to solve the problem, such as a ballot measure solely dedicated to establishing a permanent source of funding for affordable housing.

PASSED AND ADOPTED this 2nd day of February 2016 by the following vote:

AYES: (5) Mayor Esteves, Vice Mayor Montano, Councilmembers Barbadillo, Giordano, and Grilli

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

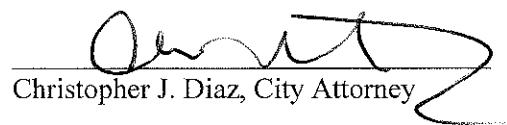
ATTEST:


Mary Lavelle, City Clerk

APPROVED:


Jose S. Esteves, Mayor

APPROVED AS TO FORM:


Christopher J. Diaz, City Attorney